

**STATE OF MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
June 30, 2008
(In Thousands of Dollars)**

Total Fund Balances – Governmental Funds \$ 5,250,375

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental funds are not financial resources and they are not reported in the funds. These assets consist of (Note 5):

| | | |
|----------------------------|---------------------|------------|
| Construction in Progress | 449,239 | |
| Infrastructure in Progress | 2,672,052 | |
| Land | 2,763,770 | |
| Land Improvements | 149,693 | |
| Buildings and Improvements | 2,213,619 | |
| Equipment | 1,075,847 | |
| Infrastructure | 41,257,724 | |
| Accumulated Depreciation | <u>(22,020,403)</u> | |
| | | 28,561,541 |

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds (Note 1). 489,894

Bonds issued by the State have associated costs that are paid from current available financial resources in the funds. However, these costs are deferred on the Statement of Net Assets. 67,318

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of (Notes 11 and 12):

| | | |
|---|------------------|-------------|
| Due to Other Entities | (36,195) | |
| General Obligation and Other Bonds Payable | (3,750,835) | |
| Unamortized Bond Premium | (164,737) | |
| Accrued Interest on Bonds | (37,099) | |
| Obligation under Lease Purchases | (228,348) | |
| Compensated Absences | (171,328) | |
| Claims Liability | (86,033) | |
| Contingent Liabilities | (1,288,100) | |
| Net Other Postemployment Benefit Obligation | (112,644) | |
| Net Pension Obligation | <u>(109,041)</u> | |
| | | (5,984,360) |

Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The assets and liabilities are included in governmental activities in the Statement of Net Assets. 650,242

Net Assets of Governmental Activities \$ 29,035,010

The notes to the financial statements are an integral part of this statement.